

DECISION No GB/2026/5

of

**The Governing Board of the European Cybersecurity Industrial,
Technology and Research Competence Centre**

Adopting the opinion on the final accounts for the financial year 2025

THE GOVERNING BOARD,

Having regard to:

- Regulation (EU) 2021/887 of the European Parliament and of the Council of 20 May 2021 establishing the European Cybersecurity Industrial, Technology and Research Competence Centre (ECCC) and the Network of National Coordination Centres, in particular Article 13 (3. (d)) thereof;
- Decision No GB/2024/3 on the Financial Rules applicable to ECCC in particular Article 100 (4) thereof; and
- the draft audit report of the European Court of Auditors on the 2025 annual accounts of the European Cybersecurity Industrial, Technology and Research Competence Centre received by the Executive Director of ECCC early June 2026;

Whereas:

- a) On receipt of the Court of Auditors' preliminary observations on ECCC's Provisional Annual Accounts, the Accounting Officer shall draw up the ECCC's Final Annual Accounts and the Executive Director shall forward them to the Management Board for an opinion;
- b) The Governing Board shall deliver an opinion on ECCC's Final Annual Accounts;
- c) By 1 July 2026, the Accounting Officer shall send the Final Annual Accounts 2025, together with the opinion of the Governing Board, to the European Parliament, the Council, the Commission and the Court of Auditors.

HAS DECIDED TO GIVE THE FOLLOWING OPINION:

On the basis of the examination of the final accounts, the Governing Board of the European Cybersecurity Industrial, Technology and Research Competence Centre

1. Notes that ECCC's 2025 annual accounts were verified by an independent external auditor as provided in the Financial Regulation, and that the European Court of Auditors considered the verification results when preparing its own final audit opinion;

2. Notes that the draft audit report of the European Court of Auditors concluded that ECCC's 2025 annual accounts are, in all material respects, presented fairly and are reliable. Moreover, the revenue and payments underlying ECCC's accounts are legal and regular in all material respects;
3. Notes that ECCC shall address ECA's identified weaknesses by drawing up relevant corrective actions;
4. Considers that sufficient assurances exist to conclude that the accounts for the financial year 2025 present a true and fair view of ECCC's overall financial position as reflected on 31 December 2025 and properly reflect the implementation of ECCC's budget for the year 2025.

Done at Bucharest on 29/06/2026

For the European Cybersecurity Industrial,
Technology and Research Competence Centre,

(e-signed)

Pascal Steichen

Chairperson of the Governing Board



ECCC FINAL ACCOUNTS 2025



In accordance with the European Cybersecurity Competence Centre's applicable financial rules, the European Cybersecurity Competence Centre (ECCC) Governing Board has appointed on 17 March 2023 the accounting officer, Alexandre-Kim Hugé, who is completely independent in the performance of his duties¹. As per legal requirement, the accounting officer has been chosen by the Governing Board on the grounds of his particular competence as evidenced by diplomas or by equivalent professional experience.

Following the decision of the Management Governing Board, Alexandre-Kim Hugé acts as the Accounting Officer of ECCC since its financial independence gained as at 24 September 2024. The European Commission was responsible for the establishment and initial operations of the Competence Centre until it had the operational capacity to implement its own budget.

The final accounts shall be published on the ECCC website: <https://cybersecurity-centre.europa.eu/>

Alexandre-Kim Hugé
Accounting Officer of the European Cybersecurity Competence Centre (ECCC)

¹<https://cybersecurity-centre.europa.eu/system/files/2023-04/ECCC%20Decision%20No%202%20GB%202023%20Appointment%20of%20Accounting%20Officer.pdf>



ABOUT ECCC

The European Cybersecurity Competence Centre, ECCC, aims to increase Europe's cybersecurity capacities and competitiveness, working together with the Network of National Coordination Centres to build a strong cybersecurity community.

This framework will support innovation and industrial policy as well as strengthen the capacities of the cybersecurity technology community, shield economy and society from cyberattacks, maintain research excellence, and reinforce the competitiveness of EU industry in the field. The Competence Centre shall undertake their tasks in collaboration with ENISA and the Community.

The Centre plays a key role in delivering ambitious cybersecurity objectives as part of the Horizon Europe and Digital Europe programmes. Each Member State shall nominate one entity to act as its national coordinator centre for the purposes of this Community.

More information about ECCC and its work can be found here: <https://cybersecurity-centre.europa.eu/>

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1. INTRODUCTION

1.1. General information

The European Cybersecurity Competence Centre (ECCC) is an EU body established under Articles 173(3) and 188(1) of the Treaty on the Functioning of the European Union (TFEU) to support the deployment of innovative cybersecurity solutions.

In accordance with its legal basis, Regulation (EU) No 2021/887 of the Parliament and the Council of 20 May 2021, ECCC has been tasked to improve and strengthen technology and industrial cybersecurity capacities, enhancing the EU's open strategic autonomy.

The European Commission was responsible for the establishment and initial operations of the Competence Centre until it had the operational capacity to implement its own budget. ECCC gained its financial autonomy on 24 September 2024.

ECCC is located at the Polytechnic University of Bucharest, Centrul Campus, Bulevardul Iuliu Maniu Nr.6, Sector 6, Bucharest, 061344.

1.2. Mission

The European Cybersecurity Competence Centre, together with the Network of National Coordination Centres, is Europe's new framework to support innovation and industrial policy in cybersecurity. This ecosystem will strengthen the capacities of the cybersecurity technology Community, shield our economy and society from cyberattacks, maintain research excellence and reinforce the competitiveness of EU industry in this field.

The ECCC will develop and implement, with Member States, industry and the cybersecurity technology Community, a common agenda for technology development and for its wide deployment in areas of public interest and in businesses, in particular SMEs.

The Centre and the Network together will enhance the European technological sovereignty through joint investment in strategic cybersecurity projects.

1.3. Main tasks

The Centre and the Network will make strategic investment decisions and pool resources from the EU, its Member States and, indirectly, the industry to improve and strengthen technology and industrial cybersecurity capacities, enhancing the EU's open strategic autonomy. The Centre will play a key role in delivering on the ambitious cybersecurity objectives of the Digital Europe Programme and Horizon Europe programmes.

The Centre together with the Network will support the deployment of innovative cybersecurity solutions. It will also facilitate collaboration and the sharing of expertise and capacities among all relevant stakeholders, in particular research and industrial communities, as well as public authorities, in the Community.

1.4. Governance

The Governing Board of the Competence Centre includes one representative from each Member State and two from the European Commission, each with an alternate. Board members are selected for their expertise in cybersecurity, technology, and industry, as well as their coordination abilities. They ensure the Centre's mission is carried out independently and transparently. The Governing Board is responsible for the adoption of the annual work programme for implementing the relevant Union funds, in particular the cybersecurity parts of Horizon Europe insofar as they are co-financed voluntarily by Member States and of the Digital Europe Programme, in accordance with the Competence Centre's multiannual work programme and the strategic planning process of Horizon Europe.

The Executive Director of the Competence Centre must have expertise and a strong reputation in relevant fields. Appointed by the Governing Board from a list proposed by the European Commission, the Executive Director is a temporary agent. Their term lasts four years, with a performance assessment conducted before the term ends. Based on this assessment, the Governing Board, on the European Commission's proposal, may extend the term by up to four years. The Executive Director is responsible for the daily operations and management of the Competence Centre and acts as its legal representative. They



are accountable to the Governing Board and perform their duties independently within the assigned powers, supported by the Centre's staff.

1.5. Legal basis

The annual accounts are prepared in accordance with the provisions of Title IX of ECCC's Financial Rules, as adopted by its Management Board on 15 March 2023². These provisions are conformed to the European Commission Delegated Regulation (EU) No 2019/715 of 18 December 2018 of the European Parliament and of the Council. The annual accounts include the financial statements and the reports on implementation of the budget.

All amounts in the annual accounts of ECCC are presented in Euro.

The general accounts allow for the preparation of the financial statements based on accrual accounting principles and show all assets, liabilities, revenues and expenses related to the financial year under review, regardless of the date of payment or collection.

1.6. Composition of the annual accounts

The annual accounts are the first annual accounts established for ECCC. They cover the period from financial autonomy on 24 September to 31 December and comprise the statement of financial position and the statement of financial performance, cash flow statement, the statement of changes in net assets and the reports on the implementation of the budget. As per article 46.1 of the Council Regulation No 2021/887 the European Commission was responsible for the establishment and initial operation of the Competence Centre until it had the operational capacity to implement its own budget.

While the financial statements and the complementary notes are prepared on an accrual accounting basis, the budget implementation reports are primarily based on movements of cash.

The budgetary implementation reports are composed of the budget outturn account (which details the budgetary surplus or deficit of the year), the reconciliation of accrual-based result with the budgetary result and the budget execution reports (which specifies by budget line the appropriations, the commitment and the payment executed in the reporting year). The budget accounts give a detailed picture of the implementation of the budget and are based on the modified cash accounting principle.

As per ECCC's Financial Rules, the accounting officer is required to send the provisional accounts to the accounting officer of the Commission and to the Court of Auditors by 1 March of the following year.

The Executive Director shall send the final accounts, together with the opinion of the Management Board, to the accounting officer of the Commission, the Court of Auditors, the European Parliament, and the Council, by 1 July 2026 of the following financial year.

The Executive Director shall also send the report on budgetary and financial management for the financial year to the European Parliament, the Council, the Commission, and the Court of Auditors, by 31 March of the following financial year.

1.7. Management information systems

ECCC uses ABAC Workflow for budgetary accounting and ABAC Accounting (SAP) for General Ledger accounting. The two interlinked systems are developed, managed and supported by the European Commission, and provided to ECCC through a specific agreement, applicable to all Institutions and Union bodies which use ABAC platform modules.

ECCC uses other internal applications developed, managed and supported by the European Commission in order to manage its various operational projects (such as COMPASS and SYGMA for grant management services) and administrative tasks (such as HR tool, SYSPER, managing among other, leaves and personal records, and the mission management tool, MiPS).

² https://cybersecuritycentre.europa.eu/system/files/202304/ECCC%20Decision%20No%201%20GB%202023_ECCC%20Financial%20Rules.pdf



2. CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Cybersecurity Competence Centre (ECCC), in accordance with Article 52 of the Model Financial Regulation (MFR)³ and I hereby certify that the annual accounts of the ECCC for the year 2025 have been prepared in accordance with chapter 8 of the MFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the European Cybersecurity Competence Centre assets and liabilities and the budgetary implementation.

Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the European Cybersecurity Competence Centre.

19 June 2026

Alexandre-Kim Hugé

Accounting Officer of the European Cybersecurity Competence Centre (ECCC)

³ COMMISSION DELEGATED REGULATION (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.



3. FINANCIAL STATEMENTS

3.1. Statement of financial position

in EUR	Note	31.12.2025	31.12.2024
I. NON-CURRENT ASSETS		160.846.178	112.895.827
<i>Tangible fixed assets</i>	4.2.1	93.161	128.096
<i>Long term pre-financing given for operational grant (*)</i>	4.2.2	160.753.017	112.767.731
II. CURRENT ASSETS		297.391.319	139.273.074
<i>Short term pre-financing given for operational grant (*)</i>	4.2.2	184.824.141	95.984.092
<i>Exchange receivables and non-exchange recoverable</i>	4.2.3	112.567.179	43.288.982
<i>Cash and cash Equivalents</i>	4.2.4	0	0
TOTAL ASSETS (I. + II.)		458.237.498	252.168.901
III. NON-CURRENT LIABILITIES		105.869.487	0
<i>Long term payables for operational grant (*)</i>	4.2.6	105.869.487	0
IV. CURRENT LIABILITIES		132.167.737	24.569.959
<i>Payables and other liabilities (*)</i>	4.2.7	132.044.207	24.333.806
<i>Accrued charges</i>	4.2.8	123.530	236.153
TOTAL LIABILITIES (III. + IV)		238.037.224	24.569.959
V. NET ASSETS		220.200.274	227.598.941
<i>Contribution from owners</i>	4.2.8	149.798.060	148.483.142
<i>Accumulated surplus/deficit</i>		79.115.799	0
<i>Economic result of the year</i>		-8.713.585	79.115.799
LIABILITIES AND NET ASSETS (III. + IV. + V.)		458.237.498	252.168.901

(*) As from 2025, to ensure consistency with other EU agencies and bodies, the pre-financing, payables and expenditures related to operational grant are calculated on the maximum remaining contractual value of the grant contract (and not only on the actual payments made to the grant beneficiaries as it was performed in 2024 - whereas ECCC has gained financial autonomy as from 24/09/2024, the 2024 and 2025 amounts are not comparable).



3.2. Statement of financial performance

in EUR	Note	01.01.2025 - 31.12.2025	24.09.2024 - 31.12.2024 (**)
Revenue			
I. Revenue from non-exchange transactions	4.3.1	164.338.398	101.506.556
<i>Recovery of expenses</i>		164.338.398	101.506.556
II. Revenue from exchange transactions	4.3.2	3.213	0
<i>Financial revenue</i>	4.3.6	3.213	0
III. TOTAL REVENUE (I. +II.)		164.341.611	101.506.556
Expenses			
<i>Operating costs (*)</i>	4.3.3	168.942.529	21.346.397
<i>Staff costs</i>	4.3.4	2.866.262	561.882
<i>Other expenses</i>	4.3.5	1.242.786	482.088
<i>Financial expenses</i>	4.3.6	3.619	390
IV. TOTAL EXPENSES		173.055.196	22.390.757
ECONOMIC RESULT OF THE YEAR (III. – IV.)		-8.713.585	79.115.799

(*) As from 2025, to ensure consistency with other EU agencies and bodies, the pre-financing, payables and expenditures related to operational grant are calculated on the maximum remaining contractual value of the grant contract (and not only on the actual payments made to the grant beneficiaries as it was performed in 2024 - whereas ECCC has gained financial autonomy as from 24/09/2024, the 2024 and 2025 amounts are not comparable).

(**) In the statement of financial performance, whereas the ECCC has gained its financial autonomy on 24 September 2024, the 2025 figures represent the economic result during the period from 1 January 2025 to 31 December 2025, while the prior period figures represent the economic result of 2024 being the year of transition to financial autonomy from the period of 24 September 2024 to 31 December 2024. Consequently, the presented values of the two reporting periods are not comparable. The details on the respective movements are disclosed in the corresponding note for each line item presented.



3.3. Cash-flow statement

in EUR	01.01.2025 - 31.12.2025	24.09.2024 - 31.12.2024 (**)
Economic result of the year	-8.713.585	79.115.799
<u>Operating activities</u>		
Depreciation and amortisation (+)	34.935	11.645
(Increase)/Decrease in pre-financing	-136.825.335	-208.751.823
(Increase)/Decrease in exchange receivables and non-exchange	-69.278.197	-43.288.982
Increase/(Decrease) in payables	213.579.888	24.333.806
Increase/(Decrease) in accrued charges & deferred income	-112.624	236.154
Increase/(Decrease) in contribution from owners	1.314.918	148.483.142
<u>Investing activities</u>		
(Increase)/Decrease in intangible assets and property, plant, equipment	0	-139.741
Net Cashflow	0	0
Net Increase/(decrease) in cash and cash equivalents	0	0
Cash and cash equivalents at the beginning of the year	0	0
Cash and cash equivalents at year-end	0	0

(**) Comparative figures relate to a shorter reporting period (24 September–31 December 2024) and are therefore not directly comparable.

3.4. Statement of changes in net assets

in EUR	Contribution from Owners	Accumulated Surplus/(Deficit) (**)	Economic result of the year ⁽³⁾	Net Assets
BALANCE AS AT 01.01.2025	148.483.142	-	79.115.799	227.598.941
Contribution from owners	1.314.918	-	-	1.314.918
Allocation economic result (*)	-	79.115.799	-79.115.799	-
Economic result of the year	-	-	-8.713.585	-8.713.585
BALANCE AS AT 31.12.2025	149.798.060	79.115.799	-8.713.585	220.200.274

(**) Comparative figures relate to a shorter reporting period (24 September–31 December 2024) and are therefore not directly comparable.



4. NOTES TO THE FINANCIAL STATEMENTS

4.1. Significant accounting policies

4.1.1 Accounting principles

The objective of financial statements is to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of stakeholders.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1 'Presentation of Financial Statements', mainly fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

4.1.2 Basis of preparation

Reporting period

The financial statements are prepared annually for the period from 1 January to 31 December, in accordance with the standard financial reporting cycle of the ECCC. As the ECCC became financially autonomous on 24 September 2024, the 2024 financial statements represented the first set of annual accounts prepared for the ECCC and covered only the period from 24 September 2024 to 31 December 2024.

The 2025 financial statements therefore present a full 12-month reporting period (from 1 January 2025 to 31 December 2025). Comparative information for 2024 reflects a shorter, partial-year period and is not directly comparable to the current year. Where relevant, additional narrative explanations and analytical disclosures have been included to assist users in understanding the impact of the differing reporting periods on financial performance and financial position.

Main impact of the financial autonomy

Financial autonomy fundamentally changed the way the ECCC's activities are recorded and reported. From the date of autonomy onwards, the ECCC assumed direct responsibility for managing its own budget, recognising its own assets and liabilities, and accounting for all programme-related transactions in its own financial statements. Activities previously administered by the European Commission are now reflected within the ECCC's financial position and financial performance, resulting in a clearer presentation of the organisation's operational and financial footprint.

The transition has also required the establishment of dedicated accounting policies, internal control procedures and financial management systems tailored to the ECCC's mandate. The 2025 financial statements therefore reflect the first full year in which these systems and responsibilities have been fully operational.

Use of estimates

The preparation of financial statements in accordance with IPSAS and EU Accounting Rules requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, as well as the disclosure of contingent assets and liabilities. These estimates are based on the best information available at the time of preparation and on management's experience and expectations.

Significant areas requiring the use of estimates include, but are not limited to, accrued revenue and charges, provisions, impairment assessments of intangible assets and property, plant and equipment, and the evaluation of contingent assets and liabilities. Actual results may differ from these estimates. Reasonable estimates are an essential part of the preparation of financial statements and do not undermine their reliability.

Estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the surplus or deficit in the period in which the change becomes known and, where applicable, in future periods. Such revisions do not constitute the correction of an error and do not affect prior-period figures.



4.1.3 Accounting policies – Statement of financial position

Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

The threshold for capitalisation of Property, Plant and Equipment is EUR 5.000. Property, Plant and Equipment with a value below threshold are booked as expenses and are included in the statement of financial performance.

Cost includes expenditure that is directly attributable to the acquisition, construction or transfer of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land is not depreciated, as it is deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
Buildings	10%
Plant, machinery and equipment	10%, 25%
Furniture	10%, 12,5%, 25%
Fixtures and fittings	12,5%, 25%
Computer hardware	25%

Gains or losses on disposals are determined by comparing proceeds less the selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are tested for impairment whenever there is an indication at the reporting date that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable (service) amount. The recoverable (service) amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. If the reasons for an impairment recognised in previous years no longer apply, the impairment losses are reversed accordingly.

Financial assets

The classification of the financial instruments is determined at initial recognition. Receivables are carried at original invoice amount less write-down for impairment. The revised EAR 11 includes requirements for the impairment of exchange receivables. It is not applicable to the impairment of non-exchange recoverable.

The EU accounting rules require separate presentation of exchange and non-exchange transactions. To distinguish between the two categories, the term 'receivable' is reserved for exchange transactions, whereas for non-exchange transactions, i.e. when the EU receives value from another entity without directly giving approximately equal value in exchange, the term 'recoverables' is used (e.g. recoverables from Member States related to own resources).

Receivables from exchange transactions meet the definition of financial instruments. The entity classified them as financial assets at amortized cost and measured them accordingly.

Recoverables from non-exchange transactions are carried at fair value as at the date of acquisition less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognized in the statement of financial performance.



Cash and cash equivalents

Cash and cash equivalents are financial assets at amortized cost and include cash at hand, deposits held at call or at short notice with banks, and other short-term highly liquid investments with original maturities of three months or less.

In order to optimise treasury management, ECCC is using the European Commission's treasury management services since its financial autonomy. Therefore, ECCC is now sharing the Commission's bank account and, as a result, it has currently no bank accounts held with regulated financial institutions.

Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance. It may be split into a number of payments over a period defined in the particular contract, decision, agreement or basic legal act. The pre-financing is either used for the purpose for which it was provided during the period defined in the agreement or it is repaid. If the beneficiary does not incur eligible expenditure, it has the obligation to return the pre-financing to ECCC. Thus, as ECCC retains control over the pre-financing and is entitled to a refund for the ineligible part, the amount is recognized as an asset.

Pre-financing is initially recognized on the statement of financial position when cash is transferred to the recipient. It is measured at the amount of the consideration given. In subsequent periods, pre-financing is measured at the amount initially recognized on the balance sheet less eligible expenses (including estimated amounts where necessary) incurred during the period.

The estimation of eligible expenses is based on the case-by-case assessment of completion which ensures that only costs that reflect the services or work performed by 31 December are included in the operational costs of the year. Depending on the availability of information at the time of preparation of the annual accounts, the estimated costs are calculated on a "prorata temporis" basis taking into consideration the ECCC contribution to the project and the start and end date of the implementation of the project. A correction multiplier may be applied in future estimation based on the historical implementation rates.

Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received or non-validated in-kind contributions to operational activities.

Where grants or other funding are provided to the beneficiaries, the cost claims are recorded as payables for the requested amount, at the moment when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognized at invoice reception for the original amount. The corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the entity.

Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, or the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognized in the subsequent accounting period.

Expenses are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer. These aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognized in the subsequent accounting period.

Provisions

Provisions are recognized when the entity has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses. The amount of the provision is the best



estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ('expected value' method).

When the obligation whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity, is possible, no provision is recognised, but a contingent liability is disclosed.

Net assets

Net assets represent the residual interest in the ECCC's assets after deducting all liabilities. They comprise accumulated financial contributions received from the European Commission, adjusted for the cumulative surplus or deficit arising from operations. Net assets reflect the ECCC's financial capacity to support future activities and obligations.

Contributions from owners

Contributions from owners represent the initial net resources (cash or in-kind) transferred to the ECCC to finance its operational and administrative activities⁴. The initial balance of contributions received from the European Commission and recognised in 2024 was adjusted for the estimated operational costs incurred by the Commission in managing ECCC-related activities prior to the ECCC obtaining financial autonomy on 24 September 2024 – **see also notes 4.2.7. Net assets - Contributions from owners and 4.3.3 Operational costs.**

Such contributions reflect the initial capitalisation of the ECCC and are recognised directly in net assets. In the context of the ECCC, "owners" refers to the Institutions exercising political oversight and governance, rather than ownership in the form of equity instruments, as the ECCC does not issue shares.

EU contributions received after the date of financial autonomy are not considered ownership contributions. They are annual budget appropriations subject to conditions and are therefore recognised as liabilities (pre-financing) until the related expenditure is incurred or the appropriations are carried over or cancelled.

4.1.4 Accounting policies – Economic outturn account

Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by ECCC, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance, revenue is distinguished between:

Revenue from non-exchange transactions

Revenue from non-exchange transactions are taxes and transfers, because the transferor provides resources to the recipient entity, without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. For the EU entities, transfers mostly comprise funds received from the European Commission (e.g. balancing subsidy to the traditional agencies, operating subsidy for the delegation agreements).

The entity shall recognize an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognized as revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability.

⁴ See also Article 21 "Union and Member States' financial contributions" of Regulation (EU) 2021/887 of the European Parliament and of the Council establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres



Revenue from exchange transactions

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or the incurring of liabilities that result in decreases in net assets.

Operating expenses relate to transfers to beneficiaries of operational grant provided by the ECCC under calls for interest (in particular of those of the Digital Europe Programme and Horizon Europe) and to expenditures in relation to the management of these operational grants. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by:

- *regulation or an agreement has been signed authorising the transfer;*
- *any eligibility criteria have been met by the beneficiary; or*
- *a reasonable estimate of the amount can be made.*

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.

The estimation of the eligible accrued expenses is based on the case-by-case assessment of completion which ensures that only costs that reflect the services or work performed by 31 December are included in the operational costs of the year. Depending on the availability of information at the time of preparation of the annual accounts, the estimates costs are calculated on a "pro-rata temporis" basis taking into consideration the ECCC contribution to the project and the start and end date of the implementation of the project. A correction multiplier may be applied in estimation based on the historical implementation rates.

4.1.5 Contingent assets and liabilities

Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

Contingent liabilities

A contingent liability is either a possible obligation of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A contingent liability also arises in the rare circumstances where a present obligation exists but cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the accounts. They are disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.



4.2. Notes to the statement of financial position

The Statement of Financial Position presents the financial position of the ECCC at 31 December of each year. Although the 2024 financial year covered a shorter operational period, the year-end balances remain comparable as they reflect the position at the same reporting date.

4.2.1 Assets - Property, plant and equipment

Property, plant and equipment are tangible fixed assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one reporting period. The threshold for capitalisation of fixed assets is EUR 5.000 (see also 4.1.3 Accounting policies – Statement of financial position including the depreciation rate per asset type).

in EUR	Computer hardware	TOTAL
Gross carrying amount at 01.01.2025	139.741	139.741
Additions	0	0
Disposals	0	0
(a) Gross carrying amount at 31.12.2025	139.741	139.741
Accumulated depreciation at 01.01.2025 (*)	11.645	11.645
Depreciation charge of the year	34.935	34.935
Depreciation related to disposals of the year	0	0
(b) Accumulated depreciation at 31.12.2025	46.580	46.580
NET CARRYING AMOUNT AT 31.12.2025 (a) – (b)	93.161	93.161

(*) The accumulated depreciation opening balance at 1 January 2025 reflects depreciation recognised during the period from the date of financial autonomy (24.09.2024) until 31 December 2024.

4.2.2 Assets - Pre-financing

Pre-financing is the amount due a grant beneficiary to provide a cash advance. It may be split into a number of payments over a period defined in the particular underlying contract, decision, agreement or basic legal act. The estimates operating costs and pre-financing are calculated on a "pro-rata temporis" basis based on the maximum contractual value to be disbursed by ECCC – see also note 4.3.3 Operational costs.

in EUR	31.12.2025	31.12.2024(*)
Non-current pre-financing given to beneficiaries	160.753.017	112.767.731
Current pre-financing given to beneficiaries	184.824.141	95.984.092
Total	345.577.158	208.751.823

(*) As from 2025, to ensure consistency with other EU agencies and bodies, the pre-financing, payables and expenditures related to operational grant are calculated on the maximum remaining contractual value of the grant contract (and not only on the actual payments made to the grant beneficiaries as it was performed in 2024 - whereas ECCC has gained financial autonomy as from 24/09/2024, the 2024 and 2025 amounts are not comparable).

4.2.3 Assets - Exchange receivables & non-exchange recoverable

Exchange transactions are transactions in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Non-exchange transactions are transactions in which an entity either receives value from another entity without directly giving approximately equal value in exchange or gives value to another entity without directly receiving approximately equal value in exchange.

The majority of payments and receipts are processed via the European Commission's treasury system and registered on liaison accounts, which are presented under heading "receivables from exchange transactions".



The amounts included under this heading are fully composed of current receivables.

in EUR	31.12.2025	31.12.2024
<i>Central treasury liaison accounts with the European Commission</i>	112.565.672	43.287.449
<i>Sundry receivables</i>	1.507	1.533
Total short-term receivables	112.567.179	43.288.982

4.2.4 Assets - Cash and equivalents

The European Cybersecurity Competence Centre does not hold any form of cash or cash equivalents at hand or in accounts with financial institutions under its name. The majority of payments and receipts are processed via the European Commission's treasury system and registered on liaison accounts, which are presented under heading "receivables from exchange transactions" – **see also note 4.2.3 Assets - Exchange receivables & non-exchange recoverable.**

4.2.5 Long term payables for operational grant

Long term payables for operational grant represents the maximum contractual amount remaining to be paid by ECCC after 31 December 2026 to the grant beneficiaries in accordance with the term and conditions of the grant agreement.

4.2.6 Liabilities - Payables and other liabilities

In 2025, the ECCC received EU contributions from the European Commission (EUR 246.203.837) to finance its administrative and operational activities for the financial year. In accordance with IPSAS and EU Accounting Rules, these contributions are subject to conditions related to their use and therefore are recognised as pre-financing (liabilities) until the related expenditure is incurred or the appropriations are carried over or cancelled – **see also 5.2. Result of the implementation of the budget.**

In 2025, whereas EUR 164.648.861 had been used (cancelled, paid and carried-over) to cover administrative and operational expenditures, the pre-financing from the financial year 2025 amounts to EUR 82.625.439.

The cumulative pre-financing from the EU contribution remaining open at year-end 2025 amounts to EUR 106.074.498.

After financial autonomy (in EUR)	01.01.2025- 31.12.2025	24.09.2024- 31.12.2024
Total EU Contribution received by ECCC	246.203.837	124.955.615
Other Income	1.070.463	0
Consumed (paid and carried-over) and cancelled appropriations (-)	-164.648.861	-101.506.556
Pre-financing EU contribution remaining open at year-end	82.625.439	23.449.059

Short term payables for operational grant represents the maximum amount remaining to be paid by ECCC before 31 December 2026 to the grant beneficiaries in accordance with the term and conditions of the grant agreement.

The Horizon Europe Guarantee Fund operates as an insurance scheme for H2020 beneficiaries by providing protection against certain payment defaults. In accordance with programme rules, five percent of the maximum EU grant is withheld from the initial pre-financing payment at the start of the project and allocated to the Guarantee Fund. This amount is transferred to the coordinator at the end of the action provided no default has occurred.

Payables due to consolidated entities mainly comprise staff-related amounts withheld and payable to EU bodies at year-end. Sundry payables include amounts due to vendors and third parties relating to unpaid invoices for goods and services received before year-end. Invoices received during the closing period are settled from appropriations carried forward to the following year.



in EUR	31.12.2025	31.12.2024
<i>Pre-financing EU contribution remaining open at year-end</i>	106.074.498	23.449.059
<i>Short term payables for operational grant (*)</i>	20.105.081	0
<i>Guarantee fund Horizon Europe contribution</i>	4.423.755	859.720
<i>Payables due to consolidated entities</i>	12.186	4.789
<i>Payables due to non-consolidated entities - Sundry payables</i>	1.428.687	20.238
Total payables and other liabilities	132.044.207	24.333.806

(*) As from 2025, to ensure consistency with other EU agencies and bodies, the pre-financing, payables and expenditures related to operational grant are calculated on the maximum remaining contractual value of the grant contract (and not only on the actual payments made to the grant beneficiaries as it was performed in 2024 - whereas ECCC has gained financial autonomy as from 24/09/2024, the 2024 and 2025 amounts are not comparable).

4.2.7 Liabilities – Accrued charges

Accruals are liabilities to pay for goods or services that have been received or supplied but, unlike payables have not yet been invoiced or formally agreed with the supplier. The calculation of accruals is based on the open number of budgetary commitments at year-end. The portion of the estimated accrued charges relating to pre -financing paid has been recorded as a reduction of the pre-financing amounts.

in EUR	31.12.2025	31.12.2024
Total accrued charges	123.530	236.153

The commitments of administrative nature that were not invoiced and/or not paid by end of 2025 while the committed services or supplies were delivered to ECCC in 2025, were recognised in the accounts as accrued administrative expenditure. The commitments that were paid by end of 2025 are recognised in the accounts as actual administrative expenditure.

4.2.8 Net assets - Contributions from owners

Up to end of 2025, Member States did not voluntarily take part in joint actions by means of voluntary financial and/or in-kind contributions. So far, ECCC has only received contribution from the European Commission via the General budget of the European Union and via a contribution agreement under Horizon Europe.

Before ECCC's financial autonomy, a total pre-financing of EUR 195.614.480 related to the 105 projects had been recorded by the European Commission's Directorate-General for Communications Networks, Content and Technology (DG CNECT), on behalf of ECCC. This amount was transferred as part of the transition to financial autonomy in September 2024 and became part of the ECCC's net assets in 2024. The estimated operational costs related to grants managed by the Commission prior to the ECCC obtained its financial autonomy on 24 September 2024 amounted to EUR 47.131.358. This amount was deducted from DG CNECT's 2024 contributions from owners – **see also notes 4.1.3 Accounting policies – Statement of financial position and 4.3.3 Operational costs**.

No additional contributions from owners were recognised in 2025. EU contributions received during the year represent annual budget appropriations and are recognised as pre-financing until consumed.

in EUR	31.12.2025	31.12.2024
<i>Pre-financing granted by DG CNECT before financial autonomy – DIGITAL EUROPE PROGRAMME</i>	163.110.141	163.110.141
<i>Pre-financing granted by DG CNECT before financial autonomy – HORIZON EUROPE</i>	32.504.359	32.504.359
<i>Operational costs related to grants managed by the Commission before the ECCC obtained its financial autonomy</i>	- 45.816.440	-47.131.358
Total Contributions from owners – closing balance	149.798.060	148.483.142



4.3. Notes to the economic outturn account

The figures presented in the economic outturn account include comparative information for 2024. As the 2024 financial year covered only a partial operational period, the amounts for that year reflect a shorter time span and are therefore not directly comparable with the full-year results for 2025. Where relevant, additional explanations are provided in the notes to assist users in interpreting year-on-year movements.

4.3.1 Revenue from non-exchange transactions

In 2025, the ECCC received EU contributions (EUR 246.203.837) from the European Commission to finance its administrative and operational activities for the year. In line with the accounting policy on non-exchange transactions, the portion of these contributions that was consumed during the year (cancelled, paid and carried over in accordance with the Financial Regulation) is recognised as revenue (EUR 164.338.398- this amount includes EUR 760.000 paid by the Commission on behalf of the ECCC to contract experts to evaluate the grant proposals). The unspent balance remains recorded as pre-financing under liabilities – **see also note 4.2.6 Liabilities - Payables and other liabilities and 5.2. Result of the implementation of the budget.**

Out of EUR 124.955.615 received as EU contribution in 2024, EUR 101.506.556 had been used (paid and carried-over) after financial autonomy to cover administrative and operational expenditures and recognised as revenue from non-exchange transactions for the partial year 24.09.2024- 31.12.2024.

in EUR	01.01.2025- 31.12.2025	24.09.2024- 31.12.2024
Revenue from non-exchange transactions - Recovery of expenses	164.338.398	101.506.556

4.3.2 Revenue from exchange transactions

The revenue from exchange transactions and events relates to following types of transactions: rendering of services, sales of goods, and the use by others of entity assets yielding interest, royalties and dividends.

4.3.3 Operational costs

Included under this heading are operational expenses related to projects that were carried out in the current year.

The part of the operational costs related to on-going projects without any validated cost claims (or equivalent) available on 31 December was estimated using the best information available at the time of preparation of the annual accounts. The estimation is based on the case-by-case assessment of completion which ensures that only costs that reflect the services or work performed by 31 December are included in the operational costs of the year. Depending on the availability of information at the time of preparation of the annual accounts, the estimates costs are calculated on a "pro-rata temporis" basis. A correction multiplier may be applied in future estimations based on the historical implementation rates.

In 2025, the ECCC continued to implement operational grants under the Digital Europe Programme and Horizon Europe. Pre-financing paid to beneficiaries represents the portion of the EU contribution transferred to grant recipients to initiate project activities. These amounts are recognised as assets until the related expenditure is reported and accepted in accordance with the grant agreements.

Up to end of 2025, the maximum contractual amount remaining to be paid and the pre-financing paid by ECCC to the grant beneficiaries amounted to EUR 538.282.626. Based on this remaining financial commitment by ECCC for operational grants, the operating costs were calculated on a pro-rata basis for each project for the periods prior to 23/09/2024, 24/09/2024 to 31/12/2024, 01/01/2025 to 31/12/2025, 01/01/2026 to 31/12/2026 and after 01/01/2027, considering the ECCC contribution to the project and the start and end date of the implementation of the project. Using this pro-rata basis, the operational costs amounted to EUR 124.899.593 for the financial year 2025.

Out of the total operational commitment outstanding at year-end, the portion expected to be cleared within twelve months is classified as current, while the remainder is presented as non-current (**see also note 4.2.2 Assets – Pre-financing**).



in EUR	Prior to 23.09.2024	From 24.09.2024 to 31.12.2024	From 01.01.2025 to 31.12.2025	From 01.01.2026 to 31.12.2026	After 01.01.2027	TOTAL
<i>DIGITAL EUROPE PROGRAMME</i>	45.690.495	17.628.403	100.205.146	117.982.691	127.670.340	409.177.075
<i>HORIZON EUROPE</i>	125.945	4.361.032	24.694.447	42.770.326	57.153.801	129.105.551
TOTAL	45.816.440	21.989.435	124.899.593	160.753.017	184.824.141	538.282.626

Operational costs also include an exceptional adjustment for a doubtful receivable amounting to EUR 1.480.563 resulting from the insolvency of a grant beneficiary.

4.3.4 Staff costs

All salary calculations related to the total staff expenses included in ECCC's statement of financial performance are externalized to the Office for administration and payment of individual entitlements (also known as the Paymaster's Office-PMO) which is a central office of the European Commission.

The PMO's mission is to manage the financial rights of permanent, temporary and contractual staff working for European Union institutions, bodies and agencies (EUIBAs), to calculate and to pay their salaries and other financial entitlements. The PMO is also responsible for managing the health insurance fund of the EUIBAs, together with processing and paying the claims of reimbursement from staff members. The PMO also manages the pension fund and pays the pensions of retired staff members. PMO is being audited by the European Court of Auditors.

ECCC is only responsible for the communication to the PMO of reliable information allowing the calculation of the staff costs, it is not responsible for the calculation of the payroll costs performed by PMO. Moreover, ECCC's staff members are members of the European Communities Pension Scheme which is a defined benefit pension plan. A defined benefit plan is a pension plan that generally defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age and years of service. Additional contribution was made by the European Commission. The cost undertaken by the European Commission is not presented on the ECCC's accounts. Future benefits payable to ECCC's staff under the EC Pension Scheme are accounted for in the accounts of the European Commission and no such provisions are entered in the ECCC's annual accounts.

in EUR	01.01.2025-31.12.2025	24.09.2024-31.12.2024
Staff costs	2.866.262	561.881

Staff costs for 2025 reflect a full year of operations, whereas the 2024 comparative covers only the period following the ECCC's financial autonomy. As a result, the two periods are not directly comparable. The increase in 2025 primarily reflects the full-year effect of positions filled during 2024 and the continued build-up of staffing levels.

4.3.5 Other expenses

Included under this heading are expenses of administrative nature such as sundry administrative expenditures (external non-IT services, communications and publications, training costs etc.), services provided by other consolidated entities (such as European Commission's for the provision of IT financial tools, treasury management services, office rent, etc.), and depreciation of fixed assets (*see also note 4.2.1 Assets – Property, plant and equipment*).

in EUR	01.01.2025-31.12.2025	24.09.2024-31.12.2024
<i>Sundry administrative expenditure</i>	1.220.535	311.561
<i>Services provided by other consolidated entities</i>	-12.684	158.882
<i>Depreciation charge of the year</i>	34.935	11.645
Total other expenses	1.242.786	482.088



Other expenses for 2025 reflect a full year of operations, whereas the 2024 comparative covers only the period following the ECCC's financial autonomy. As a result, the two periods are not directly comparable. The increase in 2025 mainly reflects the full-year implementation of administrative and operational activities and the progressive ramp-up of support services during the year.

4.3.6 Financial revenue and expenses

Included under this heading are the net unrealised and realised exchange gains and losses (mainly resulting from positive or negative exchange rate difference between the euro and the hosting Member State's currency, the Romanian leu) and interest expenses on late payment. ECCC did not pay any late interest in 2025.

4.4. Other significant disclosures

4.4.1 Outstanding commitments not yet expensed

The outstanding commitments not yet expensed comprise the budgetary RAL ("Reste à Liquider") less related amounts that have been included as expenses in the current year's statement of financial performance. The RAL represents the open budgetary commitments for which payments and/or de - commitments have not yet been made. This is the normal consequence of the existence of multi -annual programs.

in EUR	01.01.2025-31.12.2025	24.09.2024-31.12.2024
<i>Budgetary RAL ("Reste à Liquider")</i>	181.368.150	148.142.413
<i>Accruals of the year (-)</i>	-123.530	-236.153
Outstanding commitments not yet expensed	181.244.620	147.906.260

4.4.2 Related parties

ECCC is managed by the Executive Director (Authorising Officer) who is employed in a temporary agent post, grade AD14. His remuneration, allowances and other entitlements are covered by the Conditions of Employment of Other Servants of the European Communities.

4.4.3 Subsequent events

In accordance with EU accounting rule 19 "Events after Reporting Date", the on-going Russian war of aggression against Ukraine that began in February 2022 does not require any adjustments to the figures reported in these financial statements at 31 December 2025.

Furthermore, for subsequent reporting periods, this event is unlikely to affect ECCC's recognition and measurement of assets and liabilities on the balance sheet and also of some revenue and expenses recognised in the statement of financial performance as ECCC is not exposed to any assets, liabilities, revenue and expenses which may be impacted by this subsequent event.

4.4.4 Contributions in kind by the hosting Owner State

In accordance with the host agreement under which the hosting Member State shall undertake to provide to ECCC suitable premises, a free sublease agreement has been signed between the Romanian authorities and ECCC for the provision of office located in Bucharest. Therefore, ECCC has no financial exposure on building rental costs in Bucharest (but remains liable for the underlying building related costs such as for example security services and utilities costs).

4.4.5 Financial instruments: disclosures and risk management

In line with revised EU Accounting rule No 11, ECCC discloses information that enables users of its financial statements to evaluate the nature and the extent of risks arising from financial instruments to which ECCC is exposed at the end of the reporting period and how ECCC manages them.



Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

ECCC's main source of funding is stemming from the European Union's budget. Other receivables are not significant in monetary term and are unlikely to default.

As of financial autonomy, treasury management services are provided by the European Commission – **see also note 4.2.3 Assets - Exchange receivables & non-exchange recoverable.**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. ECCC has no significant market risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

ECCC has no foreign currency exposure, all financial assets (including cash and cash equivalents) and liabilities are held in euro. When miscellaneous receipts are received in currencies other than euro, they are converted into euro and transferred to accounts held in euro.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

ECCC has no loans or overdrafts and is therefore not exposed to interest rate risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

ECCC is working with a differentiated annual budget: the financial obligations arising from budgetary commitments are not matched by an equivalent payment appropriation.



5. THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

5.1. Budgetary principles, structure and budgetary implementation of the year

5.1.1 Budgetary principles

The establishment and implementation of the budget of the European Cybersecurity Competence Centre is governed by the following basic principles set out in the Chapter 2 of ECCC's Financial Rules.

Principles of unity and budget accuracy

All expenditure and revenue must be incorporated in a single budget document, must be booked on a budget line and expenditure must not exceed authorised appropriations. An appropriation may be entered in the budget only if it is for an item of expenditure considered necessary for the implementation and execution of ECCC's work programme or if a financing decision by ECCC's Governing Board allows it.

Principle of annuality

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December. Appropriations which have not been used by the end of the financial year for which they were entered shall be cancelled. However, given the special nature and the needs of the Centre, Article 12 of the ECCC Financial Rules states that the cancelled appropriations may be entered in the estimates of revenue and expenditure up to the following three financial years. Those appropriations must be used first.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

The budget shall be drawn up and implemented in euro and the accounts shall be presented in euro.

Principle of universality

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

Principle of specification

Appropriations shall be earmarked for specific purposes by title and chapter. The chapters shall be further subdivided into articles and lines.

Principle of sound financial management

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

Principle of transparency

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. A summary of the budget of the Competence Centre and any amending budget of the Competence Centre, as definitively adopted, shall be published in the Official Journal of the European Union within three months of their adoption.



5.1.2 Structure and presentation of the budget

In accordance with the financial rules of European Cybersecurity Competence Centre, the budget accounts shall consist of a statement of revenue and a statement of expenditure.

The budget of the Competence Centre shall contain the following type of appropriations:

- a) *non-differentiated appropriations – for Titles 1 and 2 (administrative budget); and*
- b) *differentiated appropriations – for Title 3 (operational budget).*

The budget is distributed in the following titles:

- i. **Title 1** relates to staff expenditure such as salaries and allowances for personnel working with ECCC. It also includes training costs, recruitment expenditure and other staff-related expenses.
- ii. **Title 2** relates to building and IT infrastructure, equipment and miscellaneous administrative expenditure. It also covers the costs of service level agreements with other EUIBAs.
- iii. **Title 3** encompasses operational expenditure for:
 - the implementation and execution of grants provided under the Digital Europe Programme and Horizon Europe Programme,
 - operational support activities, including evaluation/programme tools, publication, communication and translation costs, meetings and studies, and missions' costs.

5.1.3 Highlights of the budgetary implementation

In 2025, ECCC managed a budget of EUR 268,57 million in commitment appropriations and EUR 265,33 million in payment appropriations received from EU contribution and assigned revenue stemming from a Contribution Agreement. The reporting year has been the first full year of financial independence⁵.

The ECCC reached a budget implementation by the end of the year 2025 of:

- 89 % for commitment appropriations; and
- 69 % for payment appropriations

The relative low payment implementation rate in 2025 reflects delays in project reporting and assessment, including the late submission of interim reports and the suspension of reporting periods pending corrections, clarifications or additional information. Consequently, part of the payments scheduled in 2025 were postponed to following financial year.

In accordance with Article 21 "Union and Member States' financial contributions" of Regulation (EU) 2021/887 of the European Parliament and of the Council establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres, ECCC "shall be funded by the Union, while joint actions shall be funded by the Union and by voluntary contributions by the Member States". The article 6 also details that ECCC "may be entrusted with the implementation of the cybersecurity parts under Horizon Europe" subject to a contribution agreement. Up to 31 December 2025, the Member States did not yet voluntarily contribute to the ECCC's budget.

A. Revenue

I. Contribution agreement

In August 2025, ECCC signed an EU Contribution agreement for financing the implementation of:

- Digital Europe Programme for an amount of EUR 105,70 million (including administrative expenditures amounting to EUR 4 million); and
- Horizon Europe Programme for an amount of EUR 90,50 million.

⁵ ECCC gained its financial autonomy on 24 September 2024.



The total balancing subsidy received in 2025 amounted to EUR 246,20 million requested in four instalments.

II. Miscellaneous revenue

Internal assigned revenue received in 2025 summed up to EUR 1,07 million.

III. Contribution to REA supporting the ECCC in the expert management

Up to 2025, EUR 0,76 million been disbursed by DG CNECT on behalf of ECCC to REA for the evaluation of operational grants.

B. Expenditure

I. Commitment appropriations

- **Title 1 – Staff expenditures:** 82% of the commitment appropriations amounting to EUR 2,87 million were executed. From the remainder of EUR 0,61 million, EUR 0,14 million must be cancelled, while EUR 0,47 million may be re-entered into the ECCC's budget in line with Article 12 of ECCC's Financial Rules.
- **Title 2 – Infrastructure and operating expenditures:** 89% of the commitment appropriations amounting to EUR 1,13 million have been executed; EUR 0,13 million will be cancelled and another EUR 0,01 million may be re-entered into the ECCC's budget.
- **Title 3 – Operational expenditures:** 89% of the commitment appropriations amounting to EUR 234,31 million has been executed; EUR 29,33 million have to be cancelled and another EUR 0,72 million may be re-entered into the ECCC's budget.

In total, the ECCC implemented a budget of commitment appropriations of EUR 238,31 million, EUR 1,21 million may be re-entered into its budget, and EUR 29,60 million have to be cancelled.

II. Payment appropriations

- **Title 1 – Staff expenditures:** 78% of the payment appropriations amounting to EUR 2,75 million were executed; EUR 0,17 million are automatically carried-over from 2025 to 2026, representing 6% of the executed commitments.
- **Title 2 – Infrastructure and operating expenditures:** 53% of the payment appropriations amounting to EUR 0,96 million have been executed; EUR 0,71 million are automatically carried-over from 2025 to 2026, representing 62% of the executed commitments.
- **Title 3 – Operational expenditures:** 69% of the payment appropriations amounting to EUR 178,32 million has been executed; EUR 0,10 million will be carried over to the financial year 2026; EUR 13,91 million have to be cancelled and another EUR 67,64 million may be re-entered into the ECCC's budget.

In total, the ECCC implemented a budget of payment appropriations of EUR 182,03 million, EUR 68,13 million may be re-entered into its budget, and EUR 14,20 million have to be cancelled.

III. Expert management provided by REA

In alignment with Procedure allowing Joint Undertakings (JUs) to use the Research Executive Agency's (REA) services for the contracting and payment of expert evaluators⁶, DG Connect transferred on behalf of the ECCC EUR 0,70 million of commitment and EUR 0,76 million of payment appropriations to REA.

C. Amending budget

Following the EU General Budget approved by the budgetary authority, the ECCC's voted budget for the financial year 2025 was amended as follows:

⁶ Directorate for Research and Innovation – "Procedure allowing Joint Undertakings (JUs) to use the Research Executive Agency's (REA) services for the contracting and payment of expert evaluators " Ares(2016)3369790 - 13/07/2016



- EUR 55,0 million in payment appropriations had been added to the budget for the Horizon Europe Programme⁷;
- EUR 15,0 million of commitment appropriations had been returned to the EU General Budget for the Digital Europe Programme; and
- EUR 90,55 million had been inscribed to the 2025 budget as assigned revenue following the Contribution Agreement signed between the European Commission and the ECCC⁸.

5.2. Result of the implementation of the budget

The budget outturn for the financial year corresponds to the total EU Contribution and other external/internal assigned revenues cashed, minus the total eligible expenditures incurred during the financial year (executed payments and appropriations carried over) adjusted with items originating from the previous financial year. The purpose of this calculation is to determine the amount of balancing subsidy that is considered as revenue of the ECCC out of the pre-financing balancing subsidy cashed for the year.

The details are presented in the table below:

in EUR	2025
(a) Received revenue (from 01.01.2025 to 31.12.2025)	248 034 300 ,54
<i>of which:</i>	
Balancing subsidy from Commission / Contribution agreement	246 203 837,34
Contribution to REA	760 000,00
Other income	1 070 463,20
(b) Expenditure (from 01.01.2025 to 31.12.2025)	-179 597 577,71
<i>of which:</i>	
Title 1 - Staff expenditure (-)	
Payments	-2 708 773,02
Appropriations carried over to the following year	-165 366,40
Title 2 – Building, IT and other administrative expenditure (-)	
Payments	-423 184,83
Appropriations carried over to the following year	-706 879,22
Title 3 - Operational expenditure (-)	
Payments	-174 833 374,24
Payments – Contribution to REA	-660 000,00
Appropriations carried over to the following year	-100 000,00
Outturn for the financial year (a)-(b)	68 436 722.83
Cancellation of unused payment appropriations carried over from previous year	14 197 563,67
Adjustment for carry-over from the previous year	91 557,02
Exchange rate differences (+/-)	-404,29
Budget result	82 725 439,23

⁷ Decision of ECCC's Governing Board GB/2025/7

⁸ Contribution Agreement 1/2025 – Ares(2025)7087348 – 01/09/2025



5.3. Reconciliation of the economic result with budget result

in EUR '000	2025
ECONOMIC RESULT OF THE YEAR	-8.713.585
<i>See also 3.2 Statement of financial performance</i>	
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	
<i>Adjustments for accrual cut-off (reversal of year 2024)</i>	-236.153
<i>Adjustments for accrual cut-off of year 2025</i>	123.529
<i>Depreciation of intangible and tangible assets</i>	34.935
<i>Value reductions</i>	1.480.563
<i>Pre-financing given in previous year and cleared in the year</i>	75.574.035
<i>Payments made from carry over of payment appropriations</i>	573.440
<i>Other (Fixed Asset adjustment)</i>	-23.306
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	
<i>New pre-financing paid in the year 2025 and remaining open as at 31.12. 2025</i>	-83.099.657
<i>New pre-financing received in the year 2025 and remaining open as at 31.12. 2025</i>	82.625.439
<i>Budgetary recovery orders issued before 2025 and cashed in the year</i>	970.463
<i>Payment appropriations carried over to 2026</i>	-972.246
<i>Cancellation of unused carried over payment appropriations from previous year</i>	14.197.564
<i>Adjustment for carry-over from the previous year of appropriations available at 31/12/2025 arising from assigned revenue</i>	191.557
BUDGET RESULT OF THE YEAR	82.725.439
<i>See also 5.2. Result of the implementation of the budget</i>	



5.4. Implementation of revenue (as at 31.12.2025)

in EUR '000		Income appropriations		Entitlements established			Revenue				Out-standing
Item	Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%		
	1	2	3	4	5=3+4	6	7	8=6+7	9=8/5	10=5-8	
11	EU Contribution Administration	4 489	4 489	4 489	0	4 489	4 489	0	4 489	100 %	0
12	EU Contribution Operation	187 475	187 475	186 715	0	186 715	186 715	0	186 715	100 %	0
31	EU Contribution Operation - amending budget	pm	55 000	55 000	0	55 000	55 000	0	55 000	100 %	0
Sub-Total		191 964	246 964	246 204	0	246 204	246 204	0	246 204	100%	0
12a	EU Contribution to REA*	760	760	760		760	700	60	760	100 %	0
71	Miscellaneous	pm	pm	1 581	970	2 551	100	970	1 070	42 %	1 481
GRAND TOTAL		192 724	247 724	248 544	970	249 515	247 004	1 030	248 034	99%	1 481

* This amount includes EUR 760.000 disbursed by DG CNECT on behalf of ECCC to REA for the evaluation of operational grants



5.5. Implementation of budget expenditure (as at 31.12.2025)

5.5.1 Current year appropriations – breakdown and changes in commitment appropriations

in EUR '000		Budget appropriations				Additional appropriations			Total approp. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
Item		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
A-1111	Salaries and allowances for temporary and permanent	1 350	0	80	1 430	66	0	66	1 496
A-1121	Salaries and allowances for contractual agents	1 800	0	(255)	1 545	15	0	15	1 560
A-1131	Seconded national experts, interim staff and train	100	0	0	100	0	0	0	100
A-1141	Trainings and Recruitment	184	0	0	184	38	0	38	221
A-1151	Social welfare and medical services	95	0	0	95	16	0	16	111
Total Title A-1		3 529	0	(175)	3 354	135	0	135	3 488
A-2111	Rental of building and associated costs	60	0	36	96	0	0	0	96
A-2121	Computer centre operations and data processing	350	0	334	684	115	0	115	799
A-2131	Moveable property and associated costs	100	0	(100)	0	2	0	2	2
A-2141	Current administrative expenditure	450	0	(96)	354	15	0	15	369
Total Title A-2		960	0	175	1 135	133	0	133	1 268
B3-111	DEP Programme	114 717	(15 000)	0	99 717	42 623	100	42 723	142 440
B3-121	Horizon Programme	0	0	0	0	29 256	90 550	119 806	119 806
B3-131	Evaluations and Programme tools	1 000	0	180	1 180	0	0	0	1 180
B3-141	Publication, communication and translation costs	110	0	(81)	29	35	0	35	64
B3-151	Statutory, technical meetings and Studies	200	0	(79)	121	1	0	1	122
B3-161	Missions	180	0	(20)	160	38	0	38	198
Total Title B0-3		116 207	(15 000)	0	101 207	71 952	90 650	162 602	263 810
SUB TOTAL		120 696	(15 000)	(0)	105 696	72 219	90 650	162 869	268 565
EU contribution to REA		700			700				700
GRAND TOTAL		121 396	(15 000)	(0)	106 396	72 219	90 650	162 869	269 265



5.5.2 Current year appropriations – breakdown and changes in payment appropriations

in EUR '000		Budget appropriations				Additional appropriations			Total appropri. available
Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total		
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7	
A-1111	Salaries and allowances for temporary and permanent	1 350	0	80	1 430	74	0	74	1 504
A-1121	Salaries and allowances for contractual agents	1 800	0	(255)	1 545	15	0	15	1 560
A-1131	Seconded national experts, interim staff and train	100	0	0	100	15	0	15	115
A-1141	Trainings and Recruitment	184	0	0	184	62	0	62	246
A-1151	Social welfare and medical services	95	0	0	95	18	0	18	113
Total Title A-1		3 529	0	(175)	3 354	185	0	185	3 538
A-2111	Rental of building and associated costs	60	0	36	96	20	0	20	116
A-2121	Computer centre operations and data processing	350	0	334	684	555	0	555	1 240
A-2131	Moveable property and associated costs	100	0	(100)	0	2	0	2	2
A-2141	Current administrative expenditure	450	0	(96)	354	100	0	100	454
Total Title A-2		960	0	175	1 135	677	0	677	1 812
B3-111	DEP Programme	185 985	0	0	185 985	343	100	443	186 428
B3-121	Horizon Programme	0	55 000	0	55 000	16 904	0	16 904	71 904
B3-131	Evaluations and Programme tools	1 000	0	180	1 180	0	0	0	1 180
B3-141	Publication, communication and translation costs	110	0	(81)	29	36	0	36	64
B3-151	Statutory, technical meetings and Studies	200	0	(79)	121	68	0	68	189
B3-161	Missions	180	0	(20)	160	50	0	50	210
Total Title B0-3		187 475	55 000	0	242 475	17 400	100	17 500	259 975
SUB TOTAL		191 964	55 000	(0)	246 964	18 262	100	18 362	265 326
EU contribution to REA		700			700	60		60	760
GRAND TOTAL		192 664	55 000	(0)	247 664	18 322	100	18 422	266 086



5.5.3 Current year appropriations – breakdown and changes in payment appropriations

in EUR '000		Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
Item	from final adopt. Budget		from carry-overs	from assign. Revenue	Total	%	Assign. Revenue	By decision	Total	from final adopt. Budget	from carry-overs	from assign. Revenue	Total	
	C1 funds		C2 funds	R0 funds	5=2+3+4	6=5/1	C4 funds	C2 funds	9=7+8	C1 funds	C2 funds	R0 funds	13=10+11+12	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12	
A-1111	Salaries and allowances for temporary and permanent	1 496	1 387	0	0	1 387	93 %	0	0	0	43	66	0	109
A-1121	Salaries and allowances for contractual agents	1 560	1 303	0	0	1 303	84 %	0	0	0	242	15	0	257
A-1131	Seconded national experts, interim staff and train	100	66	0	0	66	66 %	0	0	0	34	0	0	34
A-1141	Trainings and Recruitment	221	100	0	0	100	45 %	0	0	0	84	38	0	121
A-1151	Social welfare and medical services	111	19	0	0	19	17 %	0	0	0	76	16	0	92
Total Title A-1		3 488	2 874	0	0	2 874	82 %	0	0	0	479	135	0	614
A-2111	Rental of building and associated costs	96	96	0	0	96	100 %	0	0	0	0	0	0	0
A-2121	Computer centre operations and data processing	799	680	0	0	680	85 %	0	0	0	5	115	0	120
A-2131	Moveable property and associated costs	2	0	0	0	0	0 %	0	0	0	0	2	0	2
A-2141	Current administrative expenditure	369	354	0	0	354	96 %	0	0	0	0	15	0	15
Total Title A-2		1 268	1 130	0	0	1 130	89 %	0	0	0	5	133	0	138
B3-111	DEP Programme	142 440	99 717	42 623	0	142 340	100 %	100	0	100	0	0	0	0
B3-121	Horizon Programme	119 806	0	0	90 550	90 550	76 %	0	0	0	0	29 256	0	29 256
B3-131	Evaluations and Programme tools	1 180	1 175	0	0	1 175	100 %	0	0	0	5	0	0	5
B3-141	Publication, communication and translation costs	64	28	0	0	28	45 %	0	0	0	0	35	0	35
B3-151	Statutory, technical meetings and Studies	122	75	0	0	75	62 %	0	0	0	46	1	0	47
B3-161	Missions	198	140	0	0	140	71 %	0	0	0	20	38	0	58
Total Title B0-3		263 810	101 136	42 623	90 550	234 308	89 %	100	0	100	72	29 329	0	29 401
SUB TOTAL		268 565	105 140	42 623	90 550	238 312	89 %	100	0	100	556	29 597	0	30 153
	EU contribution to REA	700	700			700	100%							
GRAND TOTAL		269 265	105 840	42 623	90 550	239 012	89 %	100	0	100	556	29 597	0	30 153

5.5.4 Implementation of payment appropriations

in EUR '000		Total approp. availab.	Payments made					Appropriations carried over to 2026				Appropriations lapsing			
Item	from final adopt. Budget		from carry-overs	from assign. Revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. Budget	from carry-overs	from assign. Revenue	Total	
	C1 funds		C2/C8 funds	R0 funds	5=2+3+4	6=5/1	C1 funds	C2 funds	C4 funds	10=7+8+9	C1 funds	C2/C8 funds	R0 funds	14=11+12+13	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13	
A-1111	Salaries and allowances for temporary and permanent	1 504	1 350	8	0	1 358	90 %	37	0	0	37	43	66	0	109
A-1121	Salaries and allowances for contractual agents	1 560	1 303	0	0	1 303	84 %	0	0	0	0	242	15	0	257
A-1131	Seconded national experts, interim staff and train	115	32	15	0	47	41 %	34	0	0	34	34	0	0	34
A-1141	Trainings and Recruitment	246	8	18	0	26	10 %	92	0	0	92	84	45	0	129
A-1151	Social welfare and medical services	113	16	0	0	16	14 %	3	0	0	3	76	18	0	94
Total Title A-1		3 538	2 709	41	0	2 749	78 %	165	0	0	165	479	144	0	623
A-2111	Rental of building and associated costs	116	49	14	0	63	54 %	47	0	0	47	0	5	0	5
A-2121	Computer centre operations and data processing	1 240	206	437	0	644	52 %	473	0	0	473	5	118	0	123
A-2131	Moveable property and associated costs	2	0	0	0	0	0 %	0	0	0	0	2	0	0	2
A-2141	Current administrative expenditure	454	168	81	0	249	55 %	186	0	0	186	0	19	0	19
Total Title A-2		1 812	423	533	0	956	53 %	707	0	0	707	5	145	0	149
B3-111	DEP Programme	186 428	120 154	343	0	120 497	65 %	0	100	100	65 831	0	0	0	65 831
B3-121	Horizon Programme	71 904	53 876	3 148	0	57 025	79 %	0	0	0	1 124	13 756	0	0	14 879
B3-131	Evaluations and Programme tools	1 180	536	0	0	536	45 %	0	0	0	644	0	0	0	644
B3-131	REA - Expert evaluations														
B3-141	Publication, communication and translation costs	64	29	0	0	29	45 %	0	0	0	0	0	36	0	36
B3-151	Statutory, technical meetings and Studies	189	114	0	0	114	61 %	0	0	0	7	68	0	0	74
B3-161	Missions	210	123	0	0	123	59 %	0	0	0	37	50	0	0	87
Total Title B0-3		259 975	174 833	3 491	0	178 324	69 %	0	0	100	100	67 642	13 909	0	81 551
SUB TOTAL		265 326	177 965	4 064	0	182 030	69 %	872	0	100	972	68 126	14 198	0	82 324
	EU contribution to REA	760	700	60		760	100%								
GRAND TOTAL		266 086	178 665	4 124	0	182 790	69%	872	0	100	972	68 126	14 198	0	82 324



5.5.5 Overview of outstanding commitments

in EUR '000		Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
		Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Pay-ments	Total	Commit-ments made during the year	Pay-ments	Cancel-lation of commit. which cannot be carried forward	Commit. outstand-ing at year-end	
Item		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
A-1111	Salaries and allowances for temporary and permanen	8	(0)	8	0	1 387	1 350	0	37	37
A-1121	Salaries and allowances for contractual agents	0	0	0	0	1 303	1 303	0	0	0
A-1131	Seconded national experts, interim staff and train	15	0	15	0	66	32	0	34	34
A-1141	Trainings and Recruitment	25	(7)	18	0	100	8	0	92	92
A-1151	Social welfare and medical services	2	(2)	0	0	19	16	0	3	3
Total Title A-1		50	(9)	41	0	2 874	2 709	0	165	165
A-2111	Rental of building and associated costs	20	(5)	14	0	96	49	0	47	47
A-2121	Computer centre operations and data processing	440	(3)	437	0	680	206	0	473	473
A-2141	Current administrative expenditure	85	(4)	81	0	354	168	0	186	186
Total Title A-2		545	(12)	533	0	1 130	423	0	707	707
B3-111	DEP Programme	358 860	(3 200)	89 124	266 536	142 340	31 373	0	110 967	377 503
B3-121	Horizon Programme	82 740	0	57 025	25 715	90 550	0	0	90 550	116 265
B3-131	Evaluations and Programme tools	397	0	9	388	1 175	527	0	648	1 036
B3-141	Publication, communication and translation costs	1	(0)	0	0	28	28	0	0	0
B3-151	Statutory, technical meetings and Studies	79	(5)	74	0	75	41	0	34	34
B3-161	Missions	12	(2)	10	0	140	113	0	27	27
Total Title B0-3		442 089	(3 208)	146 242	292 639	234 308	32 082	0	202 226	494 865
SUB TOTAL		442 684	(3 229)	146 816	292 639	238 312	35 214	0	203 099	495 737
EU contribution to REA		60		60	0	700	457	100	143	143
GRAND TOTAL		442 744	(3 229)	146 876	292 639	239 012	35 671	100	203 242	495 880



6. GLOSSARY

Administrative appropriations

Appropriations to cover the running costs of the entities (staff, buildings, office equipment).

Adopted budget

Draft budget becomes the adopted budget as soon as approved by the budgetary authority.

Amending budget

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

Appropriations

The budget forecasts both commitments (legal pledges to cover financial obligations) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments may differ - differentiated appropriations - because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and the progresses towards completion of the underlying project.

Assigned revenue.

Revenue dedicated to finance specific items of expenditure.

Budget result

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences. For EU agencies and other EU bodies, depending on their financial rules, the resulting budgetary surplus amount may have to be reimbursed to the funding authority.

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

Revenue and expenditure are shown in the budget structure in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

Budgetary commitment

Operation by which the authorizing officer responsible reserves the budget appropriations necessary to cover for subsequent payments to honour legal commitments.

Cancellation of appropriations

Appropriations which have not been used by the end of the financial year and which cannot be carried over, shall be cancelled.

Carry-over of appropriations

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.



Commitment appropriations

Commitment appropriations cover the total value of legal obligations (contracts, grant agreements or decisions) that could be signed in the current financial year.

De-commitment

Operation whereby the authorising officer responsible cancels wholly or partly the reservation of appropriations previously made by means of a budgetary commitment.

Differentiated appropriations

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year.

Economic result

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

Entitlements established

Right to collect income from a debtor as recognised through the issuing of a recovery order.

Exchange rate difference

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currencies at the date of the accounts.

EUIBAs

European Union Institutions, Bodies and Agencies.

Expenditure

Term used to describe spending the budget from all types of funds sources.

Grants

Direct financial contributions from the budget to third-party beneficiaries, engaged in activities that serve Union policies.

Legal basis / basic act

The legal act adopted by the legislative authority (usually the Council and European Parliament) specifying the objective of a Union spending programme, the purpose of the appropriations, the rules for intervention, expiry date and the relevant financial rules to serve as a legal basis for the implementation of the spending programme.

Legal commitment

The act whereby the Authorising Officer enters into an obligation towards third parties which results in a charge for the Union budget. Common forms of legal commitments are contracts in the case of procurement, grant agreements and grant decisions.

Non-differentiated appropriations

Appropriations which meet annual needs and must therefore be committed during the budget year. Only amounts qualifying for automatic carryover can be disbursed in the following year. Non-differentiated appropriations which have not been used, i.e. committed, by the end of the year, are cancelled (unless, exceptionally, permission is given by a European Commission decision for a non-automatic carryover). Non-differentiated appropriations apply to administrative expenditure and commitment appropriations equal payment appropriations.



Operational appropriations

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

Outstanding commitments

Outstanding commitments (or RAL, from the French “reste à liquider”) are defined as the committed amount of appropriations that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations.

Payment appropriations

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years.

Surplus

Positive difference between revenue and expenditure, which has to be returned to the funding authority. Cf. Budget result

Transfer between budget lines

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification.